

MEETING MINUTES CITY OF MILPITAS

Minutes of: Regular Meeting of Milpitas City Council
Date: Tuesday, November 7, 2006
Time: 7:00 PM
Location: Council Chambers, Milpitas City Hall,
455 East Calaveras Blvd., Milpitas

ROLL CALL

Mayor Esteves called the meeting to order at 6:01 PM.

PRESENT: Mayor Esteves, Vice Mayor Gomez, Councilmembers Livengood and Polanski.
Councilmember Giordano arrived at 6:07 PM.

ABSENT: None

CLOSED SESSION

Mayor Esteves publicly stated the Council would convene in Closed Session to discuss the following two issues:

1) PUBLIC EMPLOYEE APPOINTMENT/EMPLOYMENT Re: City Manager

2) CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING
City Negotiator: Carmen Valdez. Employee Organizations: Milpitas Professional and Technical Group (ProTech), Milpitas Mid Management/Confidential (LIUNA)

The City Council reconvened in Open Session at 7:00 PM with Mayor Esteves presiding and all Councilmembers present.

ANNOUNCEMENT

City Attorney Steve Mattas stated that the City Council announced one decision made in Closed Session on an item discussed June 6, 2006. Council voted 5-0 on a settlement payable to A & P Children Investments, LLC in the amount of \$50,000, related to property damage caused by trees.

PLEDGE

Boy Scouts Troop No. 92 Color Guard led the Pledge of Allegiance.

INVOCATION

One minute of silence was observed.

MINUTES

MOTION: approve minutes of three City Council meetings: September 29, October 11, and October 17, 2006 as submitted

Motion/Second: Councilmember Polanski/Vice Mayor Gomez

Motion carried by a vote of: AYES: 5
NOES: 0

SCHEDULE OF MEETINGS

MOTION: to approve the Schedule of Meetings, as submitted

Motion/Second: Vice Mayor Gomez/Councilmember Polanski

Motion carried by a vote of: AYES: 5
NOES: 0

PRESENTATION

Mayor Esteves proclaimed "Veterans Day" on Saturday, November 11, 2006 and presented a plaque to Ms. Sandy Jacob, President of the American Legion Auxiliary Unit 714 District 13. The Mayor announced that the City would host an event honoring the City's veterans of all wars,

on Saturday morning, November 11 at 9:00 AM at Veteran's Park (between the Library and the Community Center) in Milpitas.

PUBLIC FORUM

Frank DeSmidt, of the Milpitas Chamber of Commerce, invited everyone to the Chamber Mixer to be held at City Hall next Wednesday, November 15 at 5:00 pm.

ANNOUNCEMENTS

Councilmember Livengood requested an agenda item at the next Council meeting on the Carlo St. closing approved in the past. He wanted to take a new look at it next time, with the suggestion that the matter go to the Transportation Subcommittee.

Vice Mayor Gomez noted that all Councilmembers received a letter and large packet from the Pioneer Mobile Home Park. He inquired what was the City's role in this matter, if any, and requested that the City Attorney review and respond on this subject.

ANNOUNCEMENT OF CONFLICT OF INTEREST

None

APPROVAL OF AGENDA

Motion: to approve the agenda, as submitted

Motion/Second: Councilmember Giordano/Councilmember Polanski

Motion carried by a vote of: AYES: 5
NOES: 0

CONSENT CALENDAR

Motion: to approve the Consent Calendar (items noted by an *asterisk), as amended

Councilmember Giordano requested Item No. 3 be removed for discussion. Mayor Esteves requested Item No. 2 come off consent, for a brief presentation by the high school club.

Motion/Second: Councilmember Giordano/Councilmember Livengood

Motion carried by a vote of: AYES: 5
NOES: 0

***1. Commission Appointments**

Approved the following appointments recommended by Mayor Esteves:

Community Advisory Commission

Appointed Reena Choudhury as Alternate No. 1 to a term that expires January 2007.

Appointed Heidi Hai T. Pham as Alternate No. 2 to a term that expires January 2007.

Appointed Chinedu Nwobi as Alternate No. 3 to a term that expires January 2008.

Newly appointed Viraminder Meharu as Alternate No. 4 to a term that expires Jan. 2008.

Youth Advisory Commission

Re-appointed Alex Tran to a term that expires September 2007.

Newly appointed Neil Sharma as Alternate No. 4 to a term that expires September 2007.

***4. Arts Commission Bylaws**

Approve changes to the Arts Commission's meeting schedule (meet monthly) and the changes to the Arts Commission Bylaws.

***5. Approve Two Easements for KB Home Project No. 3160**

For the KB Home Project, Tract No. 9699, Project No. 3160:

1. Approved Grant of a "No-Build" Easement on the Elm Park parcel, subject to approval by the City Attorney, and

2. Approved Grant of Public Utility Easement to PG&E, subject to approval by the City Attorney.

***6. Dept. of Conservation Grants**

The City received a FY 2006-07 award of \$17,441 that may be used to support public information outreach for residential and school recycling education programs. Action at

this meeting was to accept the FY 2006-07 California Department of Conservation grant funding and appropriate grant funds (authorized a Budget Change Form).

- *7. Dispose of Surplus Vehicle** Approved request to properly dispose of one 1994 Ford Crown Victoria license # 2784 (estimated value: \$1,500) at auction, pursuant to section I-2-8.03 of the Milpitas Municipal Code "Disposal of More Than \$1,000."
- *8. Authorize Temporary Building Inspector** Approved developer's request to hire one temporary Building Inspector for services at the KB Home Terra Serena project site, for which the developer would pay the full cost of the service, including salary and benefits of the building inspector, estimated for the remainder of the fiscal year at \$99,587.
- *9. Adopt Ordinance No. 196.8** Waived second reading and adopted Ordinance No. 196.8, amending the Milpitas Municipal Code to prohibit the amplification of sound at Gill Park.
- *10. Resolution Accepting Project No. 4223** Adopted Resolution No. 7635 granting final acceptance of 2005 Street Resurfacing Project No. 4223 and release of the contractor's bond.
- *11. Agreement with RMC Water and Environment** Awarded consultant agreement to RMC Water and Environment to perform hydraulic analysis and review connection and treatment fee structures, subject to approval as to form by the City Attorney.
- *12. Change Order for Project No. 6073** Authorized the City Engineer to execute the Contract Change Order for Pacific Underground Construction in the amount of \$31,750.00.
- *13. Agreement with Sonrise for Debris Box** Authorized the City Manager to approve an agreement for a debris box with Sonrise Consolidated, subject to approval as to form by the City Attorney.
- *14. Justice Assistance Grant Spending Plan** Approved appropriation in the amount of \$12,159 into the Police Dept. operating budget, for expenditure of the Edward Byrne Justice Assistance Grant (JAG).
- *15. New Mail Machine from Pitney Bowes** Authorized disposal of the existing analog postal machine and award bid to replace it with a new digital machine from Pitney Bowes.
- *16. Approve Delta Dental** Authorized the City Engineer to execute a contract with Delta Dental effective January 1 – December 31, 2007, subject to approval by the City Attorney.
- *17. Contract with Blocka for Project No. 7076 Well Upgrade** Awarded the construction contract for the Well Upgrade Program, Project No. 7076 – Phase II, Pinewood Well to Blocka Construction, Inc., in the amount of \$341,000.

JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

- RA 1. CALL TO ORDER** Mayor/Agency Chairman Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 7:23 PM.
- RA 2. ROLL CALL** **PRESENT:** Mayor/Chair Esteves, Vice Mayor/Vice Chair Gomez and Agency/Councilmembers Giordano, Livengood and Polanski
- ABSENT:** None
- RA 3. MEETING MINUTES** Motion: approve the Redevelopment Agency minutes of October 17, 2006, including joint meeting with the City Council, as submitted
- Motion/Second: Agency/Councilmember Polanski/Vice Chair/Vice Mayor Gomez
- Motion carried by a vote of: AYES: 5
 NOES: 0

RA 4. Approval of Agenda and Consent Calendar

Motion: approve the agenda and RDA consent calendar, as submitted

Motion/Second: Vice Chair/Vice Mayor Gomez / Agency/Councilmember Giordano

Motion carried by a vote of:

AYES: 5

NOES: 0

RA 5. Comprehensive Annual Financial Report for FY 2005-06

Finance Director Emma Karlen provided an overview of the financial picture of the City/Redevelopment Agency, following the City's FY 2005-06 financial statements receiving the Auditors Unqualified Opinion (a positive review). She reported what the auditors found, including a request for clarity of seeming errors on the reporting of time on CDBG-related work. Auditors also recommended that the City develop city-wide fuel and vehicle usage policies.

Highlighted were increased revenues, higher than expected, especially with regard to Building Permit fees. The General Fund had properly maintained a reserve status of approximately 15% of the budget, as required.

For the Redevelopment fund, a \$4 million increase in one year was noted, primarily due to several one-time activities. That included property tax increase in FY06 and the amount required to provide to the state has declined (no more Education Revenue Augmentation Fund) so the City can keep more of its own money. The fund balance at the end of the fiscal year was \$154.4 million.

Councilmember Livengood asked about the \$6 million transfer from the Redevelopment Agency to the City? What balance remained in that fund? The Finance Director reported that \$29 million was the amount of the whole transaction (real estate sales), with none transferred to date.

Councilmember Giordano inquired of the total amount of the reserve fund. Where was City in the past on it? Ms. Karlen responded that it was up and down in years past. In the mid-1990s, there was not the same reserve level. In 2000-01, the City increased reserves quite a bit when the economy was very good. With three years recently of economic depression, the City had spent down some of its reserve. Now, it had returned back to \$12.4 million, a slight increase, and at its peak, the reserve amount was approximately \$21 million.

Ms. Karlen then went on to discuss the quarterly review of the City's investments, for the first quarter of the current fiscal year. Reported revenues of \$6.12 million were slightly lower than anticipated, including the fact that sales tax had decreased compared to the same quarter one year ago. There were lower revenues in business to business sales, in construction, and the transportation segment of the economy.

Councilmember Livengood inquired as to what was the 13% sales tax decrease attributable? Finance Director Karlen responded that last year, there was an extraordinarily large increase in that same quarter, while it was difficult to sustain the same amount increase for the same quarter year after year.

Mayor Esteves inquired about the Building Permits revenue. He wanted to be clear about the turnaround time for building permit review and issuance, upon noting the increase in revenue for permits. Chief Building Official Keyvan Irranejad responded positively to the inquiry.

Motion: Receive the financial reports from the Finance Director

Motion/Second: Agency/Councilmember Livengood/ Agency/Councilmember Giordano

Motion carried by a vote of:

AYES: 5

NOES: 0

- RA 6.** First Quarter FY 2006-07 Finance Director Emma Karlen reported on this matter as noted above (RA5.)
Financial Status Report
- Motion: Receive oral report from the Finance Director on first quarter FY 06-07
- Motion/Second: Agency/Councilmember Livengood/ Agency/Councilmember Giordano
- Motion carried by a vote of: AYES: 5
NOES: 0
- * RA 7.** Investment Portfolio Received the investment report for the quarter ended September 30, 2006.
Status Report, First Quarter
- * RA 8.** Amendment to Agreement with JMH Weiss Inc. 1. Authorized City Manager to execute the agreement amendment with JMH Weiss, Inc. in the amount of \$13,120, subject to approval as to form by the City Attorney.
2. Approved a budget appropriation in the amount of \$13,120 from County/City/KB Infrastructure fund into Project No. 8157 for the Abel Street Improvements.
- RA 9. ADJOURNMENT** Mayor/Chair Esteves adjourned the Redevelopment Agency meeting at 7:41 PM.

REPORTS OF OFFICERS

- 2. Donation to Milpitas Robotics Club**
- The Milpitas Xtreme Robotics Club presented themselves to the City Council, including a report on its recent successes and fundraising efforts. Ms. Joy Balange, Milpitas High School Senior and President of the Robotics Club introduced the Club. Student Aaron Bowen explained that Club members learn about technology and engineering, with hands-on learning about robotics and programming. Xtreme Robotics would be entering the FIRST competition, held January - April each year and was seeking financial support from the City. Various corporate sponsors had already been lined up, including the School District.
- Mayor Esteves thanked the Club and was happy to support its ongoing success, as the club represents Milpitas outside the City.
- Motion: Approve Mayor Esteves' recommendation for a donation in the amount of \$1,000 to the Milpitas Robotics Club, for costs associated with entering the upcoming competition.
- Motion/Second: Vice Mayor Gomez/Councilmember Polanski
- Motion carried by a vote of: AYES: 5
NOES: 0
- 3. Donation to Brittney Gutierrez for Softball Team**
- Mayor Esteves the request for financial support from Milpitas High School Senior Brittney Gutierrez. She spoke to the City Council, explaining that she was a softball player currently playing for the exclusive San Jose Strikers travel team - a gold level team in northern California. She had recently received an offer from North Dakota State University for full scholarship. At this meeting, she requested financial support for joining the Strikers travel team.
- Recreation Services Manager Bonnie Greiner responded to Councilmember Giordano's question about why this applicant did not fall under Youth Sports Grant program. This particular request did not meet that program's guidelines, Ms. Greiner stated.
- Vice Mayor Gomez asked whether the City Council had discretion to spend money out of the Community Promotions – unallocated budget fund. Finance Director Karlen replied yes, noting the balance in that fund would be \$3,740, following this evening's meeting.

Motion: approve the Mayor's recommendation of a donation in the amount \$500.00 to Milpitas High School senior Brittney Gutierrez, related to participating on the San Jose Strikers softball team

Motion/Second: Councilmember Livengood/Councilmember Polanski

Motion carried by a vote of:

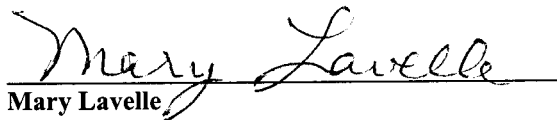
AYES: 5

NOES: 0

ADJOURNMENT

Mayor Esteves adjourned the meeting at 7:48 PM.

The foregoing minutes were approved by the Milpitas City Council as submitted on November 21, 2006.



Mary Lavelle
City Clerk